

## Message Text

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E.O. 11652: N/A

TAGS: EMIN EINV GY JA

SUBJECT: WASHINGTON POST EDITORIAL ON JAMAICAN AND GUYANA  
BAUXITE NEGOTIATIONS

1. WASHINGTON POST'S EDITION OF SUNDAY, NOVEMBER 3 CARRIED  
THE FOLLOWING EDITORIAL ENTITLED "WHY DRIVE JAMAICA TO  
THE WALL?"

BEGIN TEXT

2. COUNTRIES LIKE JAMAICA AND GUYANA ARE SOMETIMES CALLED  
"OIL BLACKMAILERS" FOR RAISING TAXES ON THEIR EXPORTED  
BAUXITE. BUT THIS IS UNFAIR AND UNKIND. THEY HAVE NOT  
SUDDENLY WITHHELD THEIR PRODUCT OR QUADRUPLLED THEIR PRICES;  
THEY ARE NOT BANKING BILLIONS. ON THE CONTRARY, THEY ARE  
FRIENDLY NEIGHBORS WITH DESPERATELY HIGH UNEMPLOYMENT RATES  
AND DESPERATELY LOW RESERVES, TRYING TO COPE WITH THE  
SOARING PRICES OF ESSENTIAL IMPORTS, PRINCIPALLY FUEL AND  
FOOD, BY GETTING A LARGER RETURN ON THEIR PRINCIPAL EXPORT,  
BAUXITE. PRECISELY HERE, HOWEVER, THEY BUMP INTO THE HARD  
FACT THAT THEIR BAUXITE IS MOSTLY OWNED AND CONTROLLED BY  
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FOREIGNERS - A HANDFUL OF AMERICAN CORPORATIONS AND A

CANADIAN ONE. THIS DEEPENS THEIR FRUSTRATION AND MAKES THEM ACHE TO RECLAIM CONTROL OF THEIR NATIONAL DESTINIES FROM CORPORATE HEADQUARTERS IN NEW YORK.

3. JAMAICA AND GUYANA - AND, OF COURSE, A GOOD NUMBER OF OTHER COUNTRIES PRODUCING OTHER COMMODITIES - ARE CURRENTLY LOCKED IN DISPUTES WITH THEIR CORPORATE GUESTS. TYPICALLY, THE COUNTRIES WISH TO REWRITE, TO THEIR OWN ADVANTAGE IN PROFIT AND PRIDE, THE TERMS OF AGREEMENT MADE WITH THE CORPORATIONS IN SLACKER POLITICAL AND ECONOMIC CIRCUMSTANCES YEARS AGO. THE COMPANIES VARY IN THEIR ATTITUDE, SOME THREATENINGLY FLEXING THEIR INFLUENCE OVER THE COUNTRIES' ACCESS TO NEW INVESTMENTS, LOANS AND MARKETS

AND SOME BENDING MORE INTELLIGENTLY. AN EXAMPLE OF THE LATTER IS KAISER ALUMINUM. THOUGH IT IS PROTESTING NEW HIGHER TAXES, IT HAS SALUTED JAMAICA'S DECISION TO BUY SOME SYMBOLIC SHARES ON THE NEW YORK STOCK EXCHANGE - TAKING THE DECISION AS A STEP WHICH ENHANCES COMMON CORPORATE-COUNTRY INTERESTS-AND IT IS TAKING A SYMPATHETIC APPROACH TO JAMAICA'S EFFORT TO BUY BACK THE LAND WHERE THE MINES ARE.

4. IF THERE IS ANY GOOD ANSWER TO CORPORATE-COUNTRY DISPUTES, IT MUST LIE FIRST OF ALL IN JUST SUCH TIMELY AND MEANINGFUL DEMONSTRATIONS OF CORPORATE GOOD WILL. THESE GESTURES FACILITATE ACCOMMODATION ON THE PART OF A BESET LOCAL GOVERNMENT AND TEND TO DETER THE HEIGHTENED POLITICAL CONFRONTATIONS THAT DEVELOP WHEN THE AMERICAN GOVERNMENT COMES OPENLY TO THE SIDE OF AN EMBATTLED CORPORATION. EXACTLY THIS SORT OF DETACHMENT IS RECOMMENDED IN A MAJOR NEW REPORT ON US-LATIN TIES BY THE BUSINESS-ORIENTED CENTER FOR INTER-AMERICAN RELATIONS. THE REPORT CALLS FOR REPEAL OF THE PROVOCATIVE NIXON POLICY OF HALTING DIRECT AID AND BLOCKING DEVELOPMENT BANK LOANS TO COUNTRIES WHICH DON'T OFFER "PROMPT, ADEQUATE AND EFFECTIVE" COMPENSATION FOR EXPROPRIATED PROPERTIES. INTERESTINGLY ENOUGH, THE REPORT IS SIGNED BY SOME OF THE SAME FORMER NIXON ADMINISTRATION OFFICIALS WHO WROTE THAT POLICY. IN A NUMBER OF ITS RECOMMENDATIONS, THE

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REPORT OFFERS WELCOME INDICATIONS THAT THE AMERICAN BUSINESS COMMUNITY IS WISING UP TO NEW LATIN POLITICAL REALITIES.

THERE ARE SOME SIGNS THAT THE CONGRESS IS MOVING TOWARD A MORE ENLIGHTENED DISTINCTION BETWEEN CORPORATE AND NATIONAL INTERESTS, TOO. AFTER ALL, IT CAN DO NEITHER THE UNITED STATES NOR ITS CORPORATIONS GOOD TO DRIVE SMALL, POOR COUNTRIES LIKE JAMAICA AND GUYANA TO THE WALL. END TEXT.

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